

# Jobseekers Regime and Flexible New Deal Evaluation: Findings from longitudinal customer surveys and qualitative research

Customers surveys by Lorna Adams, Katie Oldfield and Catherine Riley.  
Qualitative research by Sandra Vegeris, Fatima Husain, Christine Bertram,  
Rosemary Davidson and Kim Vowden

This report presents findings from the evaluation of the Jobseekers Regime and Flexible New Deal (JRFND), part of the government's reforms to the Jobseeker's Allowance (JSA) regime and the New Deals.

The report covers data taken from three surveys with customers and qualitative research among a sample of customers who had experienced JRFND Stage 3.

The customer surveys covered both those experiencing JRFND in Phase 1 areas and those experiencing the former regime in Phase 2 areas, enabling comparisons to be made between the destinations of customers in the two areas. Comparisons between the two Phases provide an indication of the Jobseekers Regime in contrast to its predecessor, but they do not constitute an impact assessment. A further study will look to determine the impact of support received under JRFND on the outcomes for customers.

Customers were interviewed initially about their views of Jobcentre Plus support a short time after experiencing it and then a follow-up interview took place a year later to explore longer-term destinations. Three groups or cohorts of customers were covered:

- **The Stage 1 cohort.** These customers were eligible for the initial Stage 1/comparison survey if they had started a claim in June 2009. Customers were interviewed initially around three months after the start of their claim.
- **The Stage 2 cohort.** These customers had entered Stage 2 (or thirteenth week of consecutive claiming in Phase 2 areas) in September – October 2009. The initial interview took place around three months after the start of Stage 2.

- **The Stage 3 cohort.** Customers were eligible for this cohort if they had entered JRFND Stage 3 (or reached their twenty-sixth week of continuous JSA claiming or had been fast-tracked to New Deal for Young People (NDYP)) in August–September 2009. The initial interview was conducted six months after this (in February 2010), at the point at which those still claiming in Phase 1 areas were about to enter Flexible New Deal (FND).

The quantitative findings in this report relate largely to data collected from the follow-up interviews that took place a year after the initial interview.

The qualitative research involved 16 depth interviews with customers about their experiences of Stage 3 of the Jobseekers Regime, as delivered in summer–autumn 2010. These additional interviews were conducted in November/December 2010 and were designed to provide an update to previous qualitative research conducted between December 2009 and March 2010, reflecting Stage 3 as it was experienced in 2009.

## Key quantitative findings

### Longer-term outcomes for Stage 1 cohort

Among the Stage 1 cohort, at the follow-up interview, the situation of Phase 1 and Phase 2 customers was very similar with no statistically significant differences in key outcomes observed.

Over the 12 months between the initial and follow-up interview, the proportion of customers in the Stage 1 cohort that were in paid work had increased

from around a quarter to six in ten. At both the initial and follow-up stages, the proportions in paid work in Phase 1 and Phase 2 areas were at a similar level.

Of those in the Stage 1 cohort who had entered paid work by the time of the initial interview, the vast majority were still in paid work at the follow-up interview. Hence, work had proved sustainable for the majority of customers who found work during Stage 1.

By the time of the follow-up interview, a quarter of customers were claiming JSA with around half of these having claimed continuously to this point.

Looking back across their experience over the whole length of their claim, around three in five customers in both Phases felt that the support that they had received was useful in moving them closer to finding paid work.

### **Longer-term outcomes for Stage 2 cohort**

Again for the Stage 2 cohort, at the follow-up interview the situation of Phase 1 and Phase 2 customers was very similar with no statistically significant differences in key outcomes.

In both areas, around half of customers had found work by the follow-up interview (around 18 months after the start of their claim).

Although the proportion who had entered paid work by the initial stage was lower among the Stage 2 cohort than among the Stage 1 cohort, work outcomes had proved equally sustainable. In both Phases, four in five customers in work at the initial interview had remained in work by the follow-up stage.

Around a third of the Stage 2 cohort were claiming JSA at the follow-up interview, with 19 per cent of Phase 1 customers and 16 per cent of Phase 2 customers having claimed continuously.

Reflecting the fact that their claims were longer on average and hence they had been exposed to a wider range of support, the Stage 2 cohort were more likely than the Stage 1 cohort to state that the

support that they had received was useful in moving them closer to work (65 per cent in both Phase 1 and Phase 2 areas).

### **Longer-term outcomes for Stage 3 cohort**

Among the Stage 3 cohort the nature of outcomes was quite different for customers aged 18-24 in Phase 2 areas although there was less of a difference between these customers and older customers in Phase 1 areas.

Under the former regime 18-24-year-olds received different provision although this was not the case under JRFND. Under FND, 18-24-year-olds received access to additional support around six months later that they would have done under the former regime, while those in the 25 plus group were able to access it around six months sooner.

Younger customers within the Stage 3 cohort (those aged 18-24) were significantly more likely to be in paid work at the time of the follow-up interview in Phase 2 areas (where they would have been exposed to NDYP) than in Phase 1 areas. This difference between Phases reflects a difference in the likelihood to have entered paid employment that was already evident at the initial stage; the increase in proportion of customers in paid work over the 12-month period between interviews was similar in both Phases.

Phase 1 18-24-year-old customers were correspondingly more likely to be claiming JSA at the follow-up stage than those in Phase 2 areas, although the difference between the two areas was smaller than was the case at the time of the initial interview.

A fifth of the Phase 1 cohort had claimed continuously at the time of the follow-up interview compared to 13 per cent of 18-24s in Phase 2.

Among customers aged 25 plus, however, there was little difference between Phase 1 and Phase 2 customers in the likelihood to be in paid work at either the initial or follow-up interviews. A fifth were in work at the initial interview rising to over two-fifths by the time of the follow-up interview.

Work outcomes were slightly less likely to have been sustainable for 18-24-year-olds in the Stage 3 cohort than for older customers. Of those in work at the initial interview, two-thirds of 18-24-year-olds were still in paid work a year later.

Three-quarters of 18-24-year-old customers in both Phases felt that the support they had received during their claim was useful. Among those aged 25 plus this proportion was lower.

## Key qualitative findings – Stage 3 customer experiences

The qualitative study reflected customer experiences of Stage 3 at 12 to 18 months after JRFND went live and updated research from the early months of programme implementation. Customers continued to view Stage 3 as distinct from the earlier stages of JRFND. In general, they felt that the support was more personalised and that a wider range of employability services was on offer.

Findings on weekly signing and mandatory activities remained unchanged. Customers' attitudes toward weekly signing were generally negative. Customers' awareness of participating in mandatory activities was low.

In contrast to the earlier research, customers tended to see their Stage 3 adviser on a regular basis. Views on the Initial Review Meeting varied, with some customers feeling that personalised support was on offer while others felt they were being 'processed'.

Almost all customers in the sample were offered one or more services during Stage 3. Some customers criticised the haphazard or inconsistent way in which services were offered and suggested they would have preferred a menu of options at the outset. The most common service mentioned by customers was a referral to an external provider for employability training. Customers were generally satisfied with the services they received, but some – particularly those from a professional background – felt that the range of services on offer was inadequate for their needs.

Customers suggested a range of improvements, including an enhanced financial package of support for training and a more flexible approach to weekly and fortnightly signing. Finally, it was felt that advisers needed to expand their knowledge of a range of labour market sectors and strategies for seeking work in those sectors.

## Conclusions

The key conclusions that can be drawn from the follow-up quantitative interviews with customers are that:

- Across all three cohorts, the proportions of 18-24-year-olds customers in paid work at the time of the follow-up interview were higher in Phase 2 areas than in Phase 1 areas under JRFND and the proportions still claiming JSA were correspondingly lower. This points to the relative success of the NDYP compared to JRFND in moving young people into paid work earlier.
- The gap evident at the initial interview within the Stage 3 cohort in the proportions of 18-24-year-olds neither in paid work nor claiming JSA (which may have reflected a deterrent effect of NDYP) had closed by the follow-up stage.
- Although more young people within the Stage 3 cohort were in work at the follow-up point in Phase 2 areas, there was no measurable difference in the 'quality' of work outcomes achieved.
- For each of the three cohorts, there was no difference between Phase 1 and Phase 2 areas in the likelihood of customers aged 25-49 to have entered paid work. This holds true both at points equivalent to the end of JRFND Stages 1 to 3 and also 12 months later.
- It was also the case that there were no statistically significant variations between Phase 1 and Phase 2 areas in the likelihood for customers aged 50 plus within each cohort to be in paid work at the follow-up interview.
- For all three cohorts, in both Phases, the work outcomes that were achieved at the initial interview appear to have been largely sustainable.

The key conclusions that can be drawn from the Stage 3 qualitative interviews, (and previous work) are that:

- Regular meetings with a personal adviser set Stage 3 apart from the earlier months of Jobcentre Plus provision under JRFND. Customers appreciated the extra guidance and service opportunities.
- Customers did not generally perceive any added value associated with the six weeks of weekly signing during Stage 3. More frequent signing was largely viewed as an inconvenience.
- In general, customers did not perceive extra pressure to participate in activities during Stage 3. This may be because other factors are at play when implementing mandatory activities. The need to label an activity as mandatory can be reduced by a jobseeker's willingness to participate or by a limited supply of appropriate activities. Moreover, advisers may downplay mandation to preserve the relationship of trust they have with a customer.
- Customers from a professional or highly skilled background were least satisfied with the range of services on offer and the quality of services received during Stage 3.

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The full report of these research findings is published by the Department for Work and Pensions (ISBN 978 1 908523 11 2. Research Report 767. September 2011).

You can download the full report free from: <http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

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Kate Callow, Commercial Support and Knowledge Management Team, Upper Ground Floor, Steel City House, West Street, Sheffield S1 2GQ. Email: [Kate.Callow1@dwp.gsi.gov.uk](mailto:Kate.Callow1@dwp.gsi.gov.uk).